



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
Grand Resource Area
885 So. Sand Flats Road
Moab, Utah 84532

3800
(U-068)

JAN 21 1993

Don Ostler
Division of Water Quality
Utah Department of Environmental Quality
288 North 1460 West
Salt Lake City, Utah 84144-4870

Re: Comments regarding Molycorp, Inc.'s proposal to store radioactive materials underground at the site of the Small Fry Mine (U.S. Mineral Patent # 43-83-0002), T29S, R24E (SLM), Section 33, 34; T29½S, R24E (SLM), Section 27, 34, San Juan County, Utah

Dear Mr. Ostler:

On the basis of the available data, this office is satisfied that the above-referenced proposal will not adversely impact adjacent Federal lands. However, the possibility exists of long-term conflicts between the storage of this material and development of reserved Federal leasable minerals (see enclosure) should Union Oil Company of California (Unocal), the parent company of Molycorp, Inc. relinquish, or otherwise lose its oil and gas leases underlying these lands. Therefore, we recommend that approval of this proposal be conditioned upon Molycorp being required to submit, upon request by any future lessee a detailed map of the Small Fry Mine's underground mine workings, showing where the stored material is located.

Should you have questions, please contact Mr. Venticinque at (801) 259-8193.

Sincerely yours,

/s/ BRAD D. PALMER
Area Manager

cc: Larry Anderson, UDRC
David Shoemaker, Molycorp
Holland Shepherd, UDOGM

1 enclosure: Copy of first sheet of U.S. Mineral Patent # 43-83-0002

RECEIVED

JAN 25 1993

DIVISION OF
OIL GAS & MINING

Serial: Utah 50548

The United States of America,

WHEREAS,

To all to whom these presents shall come, Greeting:

Ranchers Exploration and Development Corporation

is entitled to a Mineral Patent pursuant to the General Mining Laws,
R.S. 2325, as amended; 30 U.S.C. 29, for the:

Small Fry No. 4, Small Fry No. 5,
Small Fry No. 6, Small Fry No. 7,
Small Fry No. 19, and Small Fry 20
Lode Mining Claims

situated in San Juan County, Utah in Sections 33, 34, T. 29 S., R. 24 E., and Sections 27 and 34, T. 29½ S., R. 24 E., SLM, Utah. The said claims more particularly described in the official field notes and depicted on the official plat for Mineral Survey No. 7361 which are expressly made a part of this patent and copies of which are attached hereto.

The premises herein granted contain 89.167 acres.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES unto the above named claimant the said lode mining premises, with all the rights, privileges, immunities, premises, appurtenances, of whatsoever nature, thereunto belonging, unto the said claimant, its heirs and assigns, forever;

EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890, (26 Stat. 391; 43 U.S.C. 945);
2. All geothermal steam and associated geothermal resources and deposits of coal, phosphate, sodium, oil, oil shale, gas, and potash, together with the right of the United States, or persons authorized by it, to enter upon such land whenever reasonably necessary for the purpose of prospecting for, drilling for, mining, treating, storing, transporting, and removing such minerals on and from lands so patented and on and from other lands of the United States under the authority of Section 2, Act of August 12, 1953, (67 Stat. 539; 30 U.S.C. 501) and the Geothermal Steam Act of December 24, 1970 (84 Stat. 1566; 30 U.S.C. 1001-1025).

IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

[SEAL]

GIVEN under my hand, in SALT LAKE CITY, UTAH
the TWENTY-THIRD day of DECEMBER in the year
of our Lord one thousand nine hundred and EIGHTY-TWO
and of the Independence of the United States the two hundred
and SEVENTH

JOHN L. AND G. ROBINSON

By

State Director
Utah State Office
Bureau of Land Management

Patent Number 43-83-0002